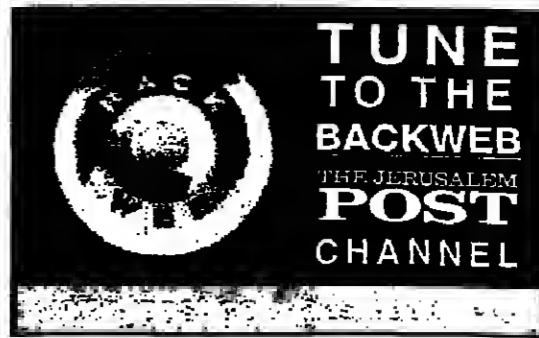


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The New York Times
8-page supplement



Psychologists' strike ends

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Neeman threatens to quit over budget cut

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Chief of General Staff Lt.-Gen. Amnon Lipkin-Shahak meets with soldiers at an IDF outpost in the security zone yesterday. (IDF Spokesman)

Ross begins Jerusalem-Ramallah shuttle

By JAY BUSHNISKY and JON IMMANUEL

US peace envoy Dennis Ross shuttled between Jerusalem and Ramallah yesterday, conferring twice each with Prime Minister Benjamin Netanyahu and Palestinian Authority Chairman Yasser Arafat.

Hizbullah blasts Arafat for 'false accusations,' Page 2

The security issue dominated these discussions. In keeping with Ross's mandate from President Bill Clinton and Secretary of State Madeleine Albright. This approach was welcomed by senior Israeli officials, but they expressed fear that Palestinian pressure to expand the agenda might dilute the Ross mission. As the US reactivated its diplomatic campaign to resuscitate the sagging peace process, the European Union's peripatetic peacemaker, Miguel Moratinos, prepared to resume his contacts with Israeli and Palestinian leaders. The Spanish diplomat was

expected to confer with Foreign Minister David Levy before seeing PA officials. Netanyahu's evening session with Ross was attended by cabinet secretary Dan Naveh, policy adviser Uzi Arad, and legal counsel Yitzhak Molcho. The Ross team consists of the State Department's Aaron Miller and National Security Council member Bruce Reidel.

Netanyahu reportedly told Ross that Israel places supreme importance on the war against terrorism and the continuation of the peace process and stressed that the country wants to see results. There were concomitant indications that Israeli and Palestinian security officials were intensifying their clandestine contacts in the presence and with the input of American counterparts, presumably Central Intelligence Agency personnel. The prospect of a three-sided mini-summit in which Netanyahu and Arafat would meet under American auspices also emerged. But a senior government aide poured cold water on the idea that high-level meetings are a way out of the current crisis. Implying that the Palestinians harbor such notions, the aide said: "If that is

their answer to security, then they are completely wrong." He said Netanyahu wants the PA to arrest and imprison persons involved in the West Bank-Gaza Strip terrorist infrastructure, and views the extradition of Palestinians accused of murder here as much more meaningful than conclaves, discussions, and photo opportunities. Although a mini-summit would be "a tiny step forward," the aide said, "it is no substitute for the effective exchange of intelligence information leading to the capture of terrorists."

In a statement to reporters immediately after his first session with Netanyahu, Ross said Clinton and Albright "are committed to doing all they can to help get the parties back together again." Acknowledging there still are major political issues to be resolved, Ross said: "They also understand that there is an essential security underpinning to the process. And that security underpinning has to be put back in place and the security relationship has to be addressed... and that's really the purpose of my efforts right now." He said Clinton and Albright "want me to focus on the security questions. I'll be doing that and we'll be seeing what we can do in

trying to put things back together again in that respect." Government quarters expressed "annoyance" at Arafat for allegedly engaging in a disinformation campaign inimical to Israel's national interests. They denied that Israeli agents informed Arafat that the Jerusalem suicide bombers had come from outside the country. Also untrue, they said, was Arafat's remark that the Hebron Agreement required American participation in its supervisory body. Ross disappointed the PA delegation by focusing only on security coordination, but left open the possibility of political discussions once that matter is resolved. Oslo negotiator Mahmoud Abbas, Hebron negotiator Saeb Erekat, and Nabil Shaath, the PLO's behind-the-scenes adviser in the pre-Oslo Washington talks, participated in the meeting with Ross. Arafat said in a Channel 1 interview Friday night that, far from the Palestinians breaking off security coordination, Israel had called off US involvement in security talks three weeks before the Mahaneh Yehuda bombing.

See ROSS, Page 2

IDF soldier killed in Hizbullah attack

By STEVE RODAN

An IDF soldier was killed and another wounded yesterday during intense Hizbullah rocket and mortar fire on the village of Rehan north of Marjayoun, in continued escalation of fighting in south Lebanon. The clash sparked fears of imminent widespread battles in south Lebanon, and Lebanese Prime Minister Rafik Hariri met with Syrian President Hafez Assad to discuss the situation. Over the past week, 14 Lebanese and one Israeli have died in the fighting, the highest toll since Operation Grapes of Wrath in April 1996. IDF sources said that if Hizbullah continues its indiscriminate shelling, the understandings reached after Grapes of Wrath will disintegrate. They maintained that the current offensive is being coordinated and encouraged by Iran.

Hizbullah, in a communique issued in Beirut, said its fighters rained machine-gun fire and rocket propelled grenades on an IDF patrol in the area of Mleikh, south of Jezzine, in the security zone. Lebanese security sources said an

IDF motorized patrol was in the village of Rehan at about 4:15 p.m.

In response, IDF artillery shelled Kafr Houneh and other areas in the highlands of Iqlim al-Tuffah in the central region of the security zone, which are regarded as Hizbullah infiltration routes. No casualties were reported.

The fighting continued into the night as air force jets bombed and strafed suspected Hizbullah hideouts north of the security zone. IDF sources said Hizbullah had grossly violated the US-brokered understandings reached after Operation Grapes of Wrath, in which all sides pledged not to target civilians. Both Israeli and Lebanese representatives had been discussing each other's alleged violations in the committee monitoring the cease-fire in Nakoura when the IDF casualties were reported.

A stream of attacks began when a mine exploded near a truck in Marqaba inside the security zone, about 500 meters from the Israeli-Lebanese border. IDF sources said nobody was wounded and IDF gunners retaliated by shelling Hizbullah hideouts.

Hours later, two women were hurt when a shell hit the S.O.S. Village orphanage in Sfarai in the Jezzine area. The IDF Spokesman said the injuries were caused by a direct hit of one of eight Katyusha rockets that landed around the home. The orphanage was evacuated and the children and supervisors were taken to Beirut. Hizbullah denied firing the Katyushas, and Hizbullah and Lebanese sources blamed the PLO for the attack.

Hariri agreed, "Arafat declares on one side 'peace' and his men shell on the other side," he said after his meeting with Assad. "This is dangerous." IDF sources said Hizbullah has embarked on what appears to be a new policy of denying Katyusha attacks on civilian targets. On Friday, Hizbullah leader Sheikh Hassan Nasrallah denied that his organization fired the rockets that landed in Kiryat Shmona, in which one woman was hurt by flying glass.

In another development, the IDF released a brother and a relative of Lebanese journalist, Roger Nahra. The journalist was freed from a detention camp on Wednesday. The Lebanese were arrested on July 3.

Hostages freed from prison

By STEVE RODAN

A 23-hour uprising in a military prison in which soldier inmates held knives to the throats of guards ended peacefully yesterday when IDF officers signed an agreement apparently giving in to the prisoners' demands. A senior officer indicated afterwards, however, that the agreement will not be kept because it was arrived at under duress. The drama in Military Prison No. 6 near Afula began Sunday morning when 110 prisoners having breakfast seized nine of their unarmed guards, soldiers like themselves. The rioters armed themselves with knives and axes. They issued demands for improved conditions and a pledge that they would not be punished or transferred to civilian prisons.

During the night, large numbers of security forces were brought to the prison in preparation for a break-in. However, commanders at the scene decided to avoid a confrontation for fear of harm coming to the hostages. During the protracted negotiations, guards were released individually, until only three were left in the pris-

oners' hands. These were released and the prisoners returned to their cells after the agreement was signed about 10 a.m. yesterday. Details of the agreement were not released. OC Manpower Maj.-Gen. Gidon Sheffer told a press conference afterward that the details were not important because they constituted part of the negotiations aimed at concluding the incident without loss of life to either the hostages or the hostage takers. "We signed an agreement whose legal validity will be tested. The fact that we signed this agreement does not mean unequivocally that we will execute it," he said.

He noted that the agreement was signed as knives were held to the throats of hostages. Sheffer conferred before the signing with legal experts, including State Attorney Edna Arbel. He said the hard core of captors apparently feared the new IDF policy of transferring long-term inmates to civilian prisons. He said the organizers recruited about 85 other inmates to cooperate in the hostage-taking, although he said the great majority of them were largely passive. IDF officers maintained that conditions in the prison were not the reason for the hostage-taking. They said that over the last year the army refurbished the cells and improved services.

Maccabiah bridge collapse claims fourth victim

By JONATHAN TEPPERMAN and news agencies

Warren Zines, the Australian athlete who lapsed into critical condition last week following injuries sustained in the Maccabiah bridge collapse, died yesterday, raising the death toll from the July 14 accident to four.



Warren Zines (AP)

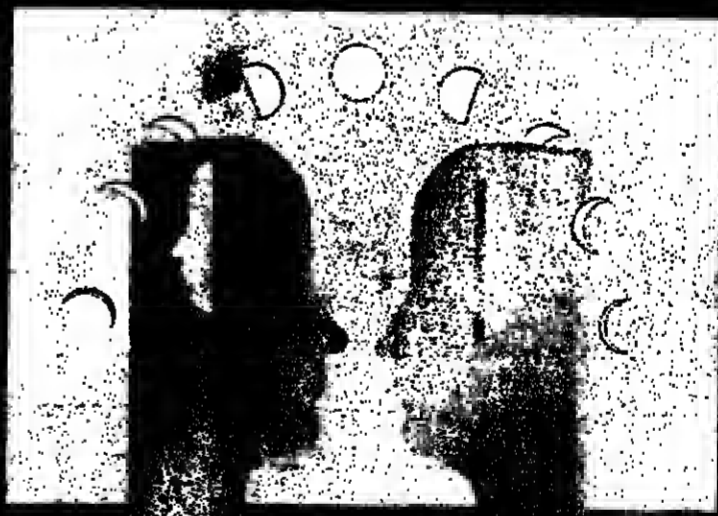
His death intensifies the debate over pollution in the Yarkon River, into which Zines and his teammates fell when the bridge collapsed. Zines, 56, was a member of the Australian lawn bowling team. He died of a severe respiratory-tract infection, according to Sheba Hospital spokeswoman Rachel Sofer. His wife Lynne, daughter Lisa, and son Adam were at his bedside. His condition had improved a day after his admission three weeks ago, but it deteriorated soon after, and he went into a coma from severe respiratory insufficiency. Doctors said the high bacterial count in the Yarkon water that he inhaled made it impossible to stabilize his condition. His body was transferred to the Institute of Forensic Medicine at

Abu Kabir for an autopsy. "We deeply regret there is yet another death in this terrible episode," said Australian Ambassador Ian Wilcox. While there is still no medical evidence that contaminants in the Yarkon contributed to the four deaths, Wilcox said that he had urged Israel to speed up the tests it is conducting. "It looks as though [Zines'] death is linked to toxins in the water. It was clearly not just a drowning," said Wilcox. Two of the four athletes were killed immediately when the footbridge carrying the Australian athletes across the river collapsed. A third died subsequently of lung and kidney complications that hospital officials attributed to pesticides in the water.

While Sofer could not say whether Zines' death was similarly linked to pesticides, Yona Tenenbaum, of the National Coroner's Office, said that "there is a connection between the deaths and the state of the water, although the exact relationship has yet to be determined."

See MACCABIAH, Page 2

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NEWS

in brief

Nurse blamed for delay in sending ambulance

A Rambam Hospital nurse has been disciplined because she failed to take seriously a report of two wounded soldiers in South Lebanon on Saturday night...

Tzurif terror cell members go on trial

The trial began in Lod Military Court yesterday of two men suspected of carrying out murders for the Hamas terrorist cell of Tzurif village...

Israeli Arabs visit Syrian refugee camp

The delegation of 42 Israeli Arabs, including several MKs, currently visiting Syria, visited the Yarmouk refugee camp outside Damascus yesterday...

Religious MKs want Council Law changed

The religious caucus in the Knesset yesterday demanded that Prime Minister Binyamin Netanyahu back legislation to change the Conversion Law and the Religious Councils Law...

Gamliel gives up immunity

Deputy Religious Affairs Minister Arye Gamliel said yesterday that he was giving up his parliamentary immunity and requested that the State Attorney's Office immediately accept a police recommendation that he be indicted...

Peace Now: Thousands of homes built in areas

There are over 4,500 housing units being built in the West Bank and over 3,200 that are already built but are still empty. Peace Now claimed yesterday, adding that these units could absorb up to 35,000 new residents within about a year...

Jordan Valley residents protest

A meeting yesterday between Prime Minister Binyamin Netanyahu and residents of the Jordan Valley protesting the economic problems of the area ended without any solutions being agreed on, and the residents vowed to continue their fight...

Toddler killed in tractor accident

A three-year-old child from the Abu Kreinat Beduin tribe in the Negev was killed yesterday in a freak accident. The child was playing on a tractor, which suddenly began to move...

MACCABIAH

The Yarkon River has already been tested for contamination by dangerous levels of heavy metals, originally suspected as one cause of the Australians' ailments. However, lab tests found that the river did not contain enough radioactive matter to harm humans...

Environment Ministry, said that tests have shown that the oil was present in low concentrations only, and was environmentally friendly. More worrying are unidentified hydrocarbons which have also been found in the water...

Rabbi SAM GENAUER 77

On August 5, 1997, in Riverdale, NY A talmid haham who imparted a love of life and Torah, a sense of responsibility to family and community and a gentleness to all who knew him

GSS: Souk bombers came from areas

JON BIRMANUEL and Nim

The General Security Service is moving closer to the conclusion that both Mahaneh Yehuda suicide bombers came from the West Bank, but need a DNA test to confirm identification...

could be a lengthy process. Even without the test, however, the security services believe they can achieve a high level of certainty based on interviews with people who live near the suspected bombers...

their names already be known, as their families would have had no incentive to keep quiet about it. If the terrorists came from the West Bank, their families would keep quiet out of fear of having their homes demolished...

All the factors said to prove a possible foreign identity - ripped-off clothing tags, possession of Jordanian currency, and even the type of explosive used - could be explained away. But different versions abound...

town near Bethlehem, in which a deadly Hamas cell was uncovered after the Apropro bombing in Tel Aviv was carried out by one of its members, and the Nabulus area.

GPO details Palestinian incitement

By JAY BUSHINSKY

The Palestinian Authority violated the Oslo Accords' ban on incitement to violence and hostile propaganda in "nearly 100 statements made by its officials ranging from Chairman Yasser Arafat to the autonomy's senior political and religious leaders..."

Bethlehem, reportedly said that "all means are legitimate to uproot the despicable occupation." On the eve of US peace envoy Dennis Ross's arrival here, Nabil Amri, also a member of the council, said: "Mr. Ross is honoring us with a working visit today, after the shattered body parts of the Jews were spread about in Mahaneh Yehuda."

Friday sermon, "The struggle we are waging is an ideological struggle and the question is: Where has the Islamic land of Palestine gone? Where are Haifa and Jaffa, Lod and Ramle, Acre, Safed, and Tiberias? Where are Hebron and Jerusalem?" His words were broadcast on the Voice of Palestine on May 23.

Two of the latest verbal assaults on Israel and Zionism were published yesterday in Al-Hayat Al-Jadida, a newspaper generally regarded as being a mouthpiece for the Palestine Liberation Organization. It quotes Suleiman Rodmi, a member of the Palestinian Legislative Council, as having said: "The words 'State of Israel' should be replaced with 'Zionist entity' in the Palestinian lexicon."

Also that day, Arafat delivered a speech to Fatah members in Gaza, saying: "It is important that we organize our homes and our movement so that we can more and more endure the coming battle, which we shall initiate." Echoing the frequently-aired concept of Palestinian intransigence, Yusuf Abu Sneineb, a preacher at Al-Aksa Mosque, declared in a

My stunted garden, the tormentors have destroyed you, and the dogs have settled in thee, O Jerusalem, O my city, With my notebook and pencil and the fire of my rifle I will shatter the cage, I will kill the wolves and plant the flag, The dogs will not bark in the heroic cities.

Hizbullah blasts Arafat for 'false accusations'

BEIRUT (Reuters) - Lebanon's Hizbullah yesterday denounced Palestinian Authority Chairman Yasser Arafat for "spreading lies" suggesting the group may be linked to the twin suicide attack in Jerusalem last month. A Hizbullah official in turn accused Arafat's supporters of firing Katyusha rockets into Israel on Friday...

ity unless they were behind it or they knew it or they facilitated... it?" Arafat asked. In the eastern Lebanese town of Baalbek, a senior Hizbullah official attending the funeral of a guerrilla killed in one of the air raids accused Arafat's supporters of firing Katyusha rockets into Israel on Friday.



Memorial at Mahaneh Yehuda

Defense Minister Yitzhak Mordechai (in tie) shakes hands with a bereaved family member at a memorial service yesterday in Jerusalem's Mahaneh Yehuda market at the scene of the July 30 double suicide-bombing.

'Shahak not up for J'lem mayorship'

By MICHAEL YUDELMAN

Official Labor sources denied reports that the party leadership is considering Chief of General Staff Lt.-Gen. Amnon Lipkin-Shahak as candidate for Jerusalem mayor. However, reported yesterday that Labor intends to offer Shahak a chance to run for Jerusalem mayor after he leaves the IDF next year...

Outrage at officer's remarks about Druse

By LIAT COLLINS

The Druse community is outraged by the comments of an IDF officer who reportedly told non-commissioned officers at the Tzurif army base last week that the latest recruitment of Druse soldiers into the standing army was aimed at stopping their being recruited by Hamas or other terror organizations.

Assad Assad, the prime minister's adviser on Arab affairs, and Deputy Education Minister Moshe Feld are calling for her to be dismissed. Prime Minister Binyamin Netanyahu and Defense Minister Yitzhak Mordechai both condemned the remark. Education Minister Zevulun Hammer said the ministry will discuss ways of emphasizing in school activities the contribution of the Druse community and soldiers to the country.

Chief of General Staff Lt.-Gen. Amnon Lipkin-Shahak viewed the matter very seriously and has ordered an investigation into the affair. Samir Wahaba, the secretary of the committee of Druse reserve officers, also asked for the officer to be removed from the IDF. He said the apology is not enough...

just let it go by. This time won't just let it be," Wahaba said. "The time has come for Israel to understand once and for all that the Druse community has played a serious role in establishing this country and it is our State of Israel just as much as it is for Jews. We accept that this is a Jewish state, but we have always done what was required of us. We don't have to keep proving ourselves over and over again."

our loyalty to the state," he said. "The chief of general staff should dedicate one day to the subject of the history of the community and such statements would no longer be made." Michael Yudelman adds: Labor leader Ehud Barak denounced the "racist and false" utterances of an IDF officer about Druse soldiers and called on Mordechai to act urgently to uproot such attitudes.

ROSS

Continued from Page 1

That claim was denied by Naveh, who said that in any case it did not absolve the PA of responsibility for fighting terrorism. Before the talks began PA Information Minister Yasser Abed-Rabbo said the PA would not agree to talk about security without discussing the closure, as well as remaining issues from the interim accords, such as safe passage for Palestinians between the West Bank and Gaza. But after the meeting Erekat said: "Security coordination is part of the reality of the peace process and should not be separated from it." And another official close to Arafat, Nabil Amr, justified the concentration on security issues. "We want an effective security coordination with the Israelis. This is the door to the visit of Albright, which would translate into practical measures," he

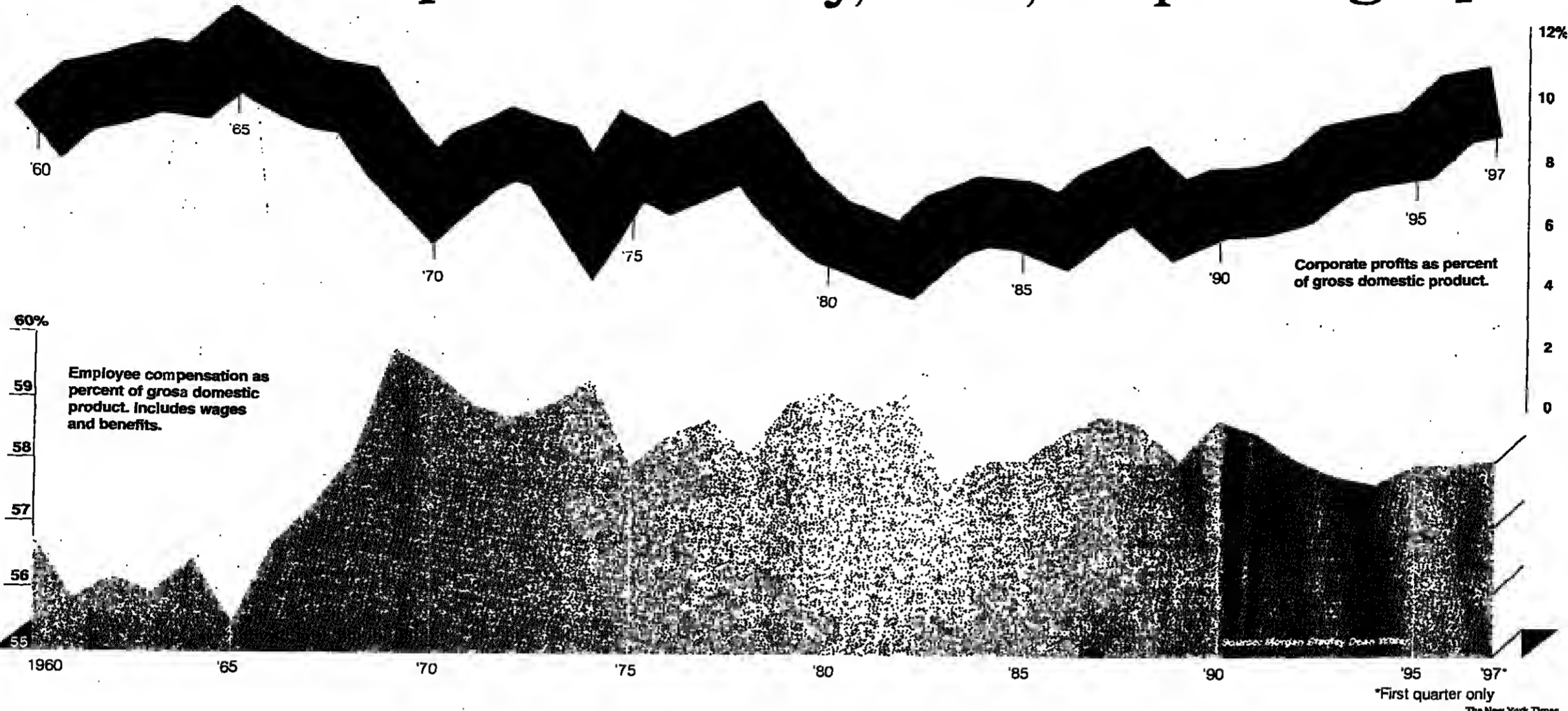
told reporters. Ross described his meeting with Arafat as "very useful." Arafat told the press: "We explained the suffering of the Palestinian people, and we made it clear that we are adhering to the peace process in all its aspects." Tim odds: President Ezer Weizman held a closed meeting with Ross and his entourage in the garden of his Caesarea home yesterday afternoon. Sources said later that Weizman had stressed that Arafat would have to realize there is only one partner with whom he could negotiate. "Netanyahu is the only address," Weizman reportedly said. It was decided yesterday that Weizman will visit the US in October. Mohammed Najib contributed to this report.

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Boomerang

What Goes Up Must Usually, Well, Stop Going Up



By LOUIS UCHITELLE

WHEN the history is written of America's mid-1990's economic boom, a fat chapter will certainly be devoted to the mystifying strength of corporate profits — how they were able to rise so fast for so long. But there must also be a chapter that describes what happened when this extraordinary performance became ordinary, or worse. And the material for this second chapter seems to be falling into place now.

Part of the foundation undergirding the boom is

quietly being eaten away. Stagnant wages — the workers' contribution to their bosses' profits — are beginning to rise. And there is agitation for more improvement. Workers for the United Parcel Service began a nationwide strike last week that was partly a protest against the insecurities of the Age of Downsizing. As if on cue, stock prices fell sharply on Thursday and Friday, suggesting the vulnerability of another engine of prosperity to shifting circumstances.

That's not to say that the profits, the equally spectacular stock market and the thriving economy — all of them interconnected — won't be able to continue their upward climb. But even if they do, the good times seem likely to take on a different, more precarious character.

The keys to this story are corporate profits and wages. More than usual, the market and the economy have fed off the strength of profits at the expense of wages. For every \$100 in new production — the assembly of a car, the services of a doctor, the dry cleaning of a suit — nearly \$10 is going into profits. Not since 1968 has the percentage been so high. From then until the mid-1990's, it rarely rose above 8.50. And much of the rise has come out of wages and benefits, which, according to new Commerce Department numbers, have declined as a percentage of national output to their lowest level in more than a decade.

The record-breaking stock market is the offspring of the profits squeeze from this process. The rising stock prices, in turn, feed the economy by encouraging spending. But there is a problem. Not often in history

has the Dow Jones industrial average, which closed at 8,031 Friday, gotten so high in relation to earnings, even unusual earnings. And that leaves a lot of experts casting about for ways to make what is happening sound rational and lasting. If profits can't keep rising at the expense of wages — and many experts think that vein has played out — then some more enduring engine will have to kick in soon.

"People are looking for an easy explanation of why profits are doing well," said David Wyss, director of research at DRI-McGraw Hill, a consulting firm.

And not surprisingly, one has been summoned. The heartening explanation, the one that would keep profits and stock prices rising if it turns out to be true, depicts the American economy as having entered, in the last year or two, a new, robust era.

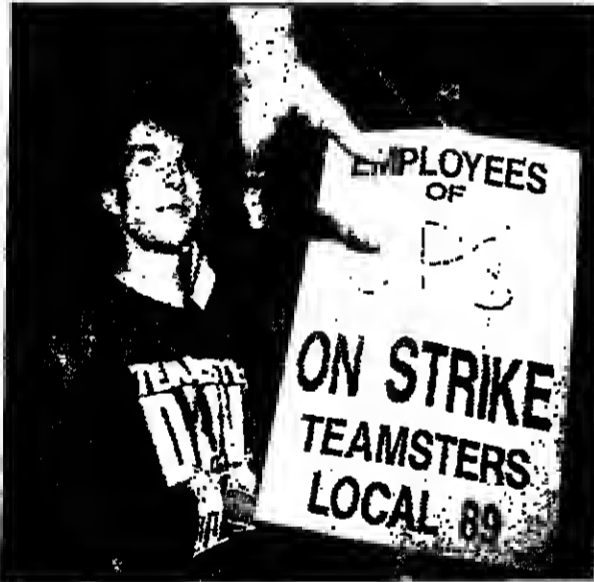
The main characteristic of this new era is rising productivity. The new technologies, particularly computers and telecommunications, are finally making workers more productive, the story goes. Using the new tools, workers are producing more in each hour on the job. Already, they may be keeping some of this extra revenue from their production, while the rest goes into profits. And the stock market — the great indicator of American prosperity — will continue upward, reinforcing the process.

"Evidence of higher productivity abounds," said Jerry J. Jasinowski, president of the National Association of Manufacturers. "You may not accept it, because it does not show up in the official government statistics. We think most of the statistics are out of date."

There are problems, however, with the rosy productivity scenario, which has attracted varying degrees of endorsement from a range of business executives and economists. One is that it may not be happening, although it certainly sounds logical. Indeed, it fits neatly with the well documented rise in profits. Consider this example:

A carpenter is paid \$25 an hour to make one birdhouse every hour, which is sold for \$35. The profit from that hour of work is \$10. If the price does not

Continued on Page 2



For higher wages: Strikers in Louisville, Ky.



For higher profits: David Murray, U.P.S. negotiator.

Patience of Jobs

An Industry and Its Founders Grow Up

By STEVE LOHR

THE personal computer industry was created in the mid-1970's by a few hundred fiercely competitive, idealistic young men barely out of their teens. Their mission was to change the world by democratizing digital technology (and, yes, to get rich too). They pursued their goals with the energy and passion of youth. Disagreements had a way of escalating into shouting matches, and conflicts became holy wars.

Today, the computer industry has grown to become a \$150-billion-a-year business and the people who built it have grown up as well. Most of them are now in their 40's, married with children. They have less hair and more pounds. Many are worth millions or, in a few cases, billions of dollars.

"It used to be that I was the youngest person in business meetings," Steven P. Jobs, the co-founder of Apple Computer Inc., said recently. "But I'm an old man in this industry now, with a lot of experience and scar tissue."

Last week, the 42-year-old Mr. Jobs announced a surprising alliance between Apple and its long-time arch-rival, the Microsoft Corporation. It was a sure sign that those vigorous holy wars have been replaced by a

kind of pragmatic maturity. Experience, scar tissue and a flair for imaginative deal-making prompted Mr. Jobs to save Apple by reaching out to a seemingly unlikely patron — William H. Gates, Microsoft's 41-year-old chief executive. Microsoft is investing \$150 million in Apple, and the two companies have agreed to cooperate on several sales and technology fronts.

For Microsoft, the \$150 million is lunch money. But the deal was a striking symbol to the high-tech world that even Microsoft has a direct stake in Apple's future. The two companies have long competed and cooperated at the same time. Microsoft's Windows operating software — a program that handles a computer's basic operations — got its start by mimicking Apple's Macintosh software, and then went on to dominate the market. Yet Microsoft also makes word processing and other office programs that run on Macintosh computers, which are used by eight million customers and generate several hundred million dollars a year in business for Microsoft.

When Mr. Jobs announced the pact with Microsoft at the Macworld trade show in Boston last Wednesday, he was greeted with catcalls from some Macintosh loyalists. Mr. Jobs advised

Continued on Page 3



Steve P. Jobs has matured to embrace an enemy of his youth.

A Little Bit of Knowledge
Doctors in the age of the semi-educated patient.
By Sheryl Gay Stolberg

2

The Area Code Paradox
Numbers may be infinite, but there are not enough of them.
By Anthony Ramirez

3

Throwback
The cold war may be over everywhere else, but it continues to grind on in the Korean peninsula.
By Steven Lee Myers

4

The World



U.S. officials saluted and North Koreans stood impassively as the remains of four American soldiers were handed over to U.N. troops across the Korean military border last week after a joint recovery operation.

It Takes One to Start a War, but Four to Make Peace

By STEVEN LEE MYERS

WASHINGTON
WAR, its tensions and repercussions, can endure long after the last shot is fired. Then there is Korea, where the war wages on. North and South Korea, split by the cold war in 1945, remain in a state of perpetual hostility, with few hopeful signs of a thaw. The ailing and isolated totalitarian regime in the north shows an old, familiar truculence — even as the country's headlong slide into famine forces it to accept aid from the outside and stokes fears in the south of economic disaster if North Korea collapses. Business ties between the two countries are nominal, the goodwill nonexistent.

In a modern conference room at Columbia University, encircled by a sweeping view of New York City, diplomats from the United States, China and North and South Korea met last week to try once again to ease the tensions by bringing the Korean War to an official end.

The war, which no one really won, was never really over. The armistice, signed in Panmunjom on July 27, 1953, was designed to silence the guns just long enough to arrange peace talks and a permanent and legal truce. Instead it lasted 44 years, however tenuously at times, leaving the Korean peninsula in a state of war-not war that has made it one of the most tense and most heavily defended regions in the world.

"This is a war that's never been won by either side," said Charles K. Armstrong, a professor of history at Columbia's School of International and Public Affairs, which played host for the talks. "It resulted in a stalemate, and that's what's carried on all these years."

The meetings in New York were meant to lay the foundation for "four-party talks" now that the United States, China and the two Koreas have agreed to replace the fragile armistice with something more lasting. After all these years, that goal may prove all but impossible.

After three days of meetings, the delegations abruptly broke off their talks Thursday evening. They were unable to agree even on an agenda for further talks, although they agreed to try again in September.

It was a reminder, if one was needed, that starting a war can be a lot easier than ending one.

The Koreans, of course, are not the only countries in such a state.

Cyprus is a torn and potentially explosive place, restrained only by the presence of United Nations peacekeepers 23 years after Turkey invaded, ostensibly to protect the island's Turkish minority from a Greek coup attempt.

Ecuador and Peru keep fighting — for three bloody weeks in 1995 — over a swath of mountain jungle because Ecuador in 1960 stopped recognizing a peace treaty the two countries signed in 1942. Israel, nearly half a century after its founding, remains officially at war with Syria, which has not yet made peace with the Jewish state, unlike Egypt (in 1979) and Jordan (in 1994).

The Koreans, though, are unique. For most of the century, the peninsula has experienced only occupation and division. Japan was the first, occupying the country from 1910 through the end of World War II. Promised independence by the Allies, Korea was instead cleaved in two by the Soviet Union and the United States, creating separate societies, each isolated from and increasingly suspicious of the other.

'A Throwback'

The Korean War, which is often called the Forgotten War, sandwiched as it was between the epic of World War II and the American quagmire in Vietnam, was the first real battleground of the cold war. It has now outlived it.

"Korea is a throwback," a senior Clinton Administration official said. "There is no other place in the world where this type of cold war remains."

The fighting in Korea ended more or less when the

generals decided enough was enough. After North Korea's invasion in 1950, the American-led United Nations counteroffensive and China's intervention, the war had reached a stalemate, but the slaughter continued. Three years of fighting had killed 118,000 soldiers on the United Nations side, nearly half of them Americans; the South Koreans lost 70,000 soldiers, the North Korean and Chinese more than a million.

The Military Armistice Agreement was what it sounds like: a military solution, not a political one, signed by the commanders of the United Nations forces, China's "volunteers" and the "Supreme Commander of the Kore-

to the civilians. The civilians met in Geneva in 1954, but the talks broke down almost immediately. And despite subsequent attempts over the years, they never resumed.

Regrets Only

But if the armistice has held so long, is it really necessary to replace it?

Jeong Ho Roh, associate director of the Center for Korean Legal Studies at Columbia University's School of Law, said a formal end to the war is crucial. The lack of a peace treaty, he explained, frees both North and South Korea of accountability. Either side can violate the armistice more or less with impunity, as happens repeatedly in clashes along the demilitarized zone.

Last September an incident involving a North Korean submarine ended with 24 of sailors and commandos being killed South Korea. That incident, condemned as a provocation by the South and the United States, actually allowed the diplomatic breakthrough leading up to last week's meeting: North Korea delivered an unprecedented "expression of regret." Last week Pyongyang released the remains of American soldiers killed four decades ago.

A peace treaty, Mr. Roh said, would bind the two sides to certain international norms.

And that may explain why the effort to arrange peace, talks among the United States, China and the Koreans — first proposed by President Clinton and South Korea's President Kim Young Sam of South Korea in April 1996 — have dragged on so long.

Officially ending the war would be, for North and South Korea, tantamount to recognizing the legitimacy — in fact, the very existence — of the other. Neither seems fully prepared for that, and so the status quo, for all its flaws, preserves the claims of each to represent the one, true Korea.

"Without a legal end to the war," Mr. Roh asked, "how can there be a start to a new relationship between the two Koreas?"

Once again, negotiators have given up on officially ending the Korean conflict.

an People's Army," Kim Il Sung. Complications now arise from South Korea's not signing the armistice, which allows North Korea to claim that the south should not even be represented in peace talks. North Korea has long tried to negotiate directly with the United States over the peace terms, freezing out the south.

The armistice, with its preamble and five articles that went on for 63 paragraphs, quieted the guns, established a demilitarized zone more or less along the 38th parallel, separating the badly battered armies, and created a Military Armistice Commission to act as a sort of arbiter of the cease-fire.

The military commanders agreed to stop fighting "in the interest of stopping the Korean conflict, with its great toll of suffering and bloodshed on both sides," as the preamble put it, but left the "final peaceful settlement"

Status Ex Machina

Serbian Media Is a One-Man Show

By JANE PERLEZ

BELGRADE, Serbia
THE Serbian leader, Slobodan Milosevic, the propaganda maestro of the Balkans, rarely appears on state television. When he does, he insures that it is in grand style. At his swearing-in as President of the Yugoslav federation last month, the camera showed him seated in the front row of the federal Parliament, pug faced and steely gazed. Supplicants lined up to shake his hand. There was loving footage of him as he, his wife and daughter, all dressed in black, and his son with peroxidized hair rode off in a six-door Mercedes flanked by guardsmen in Tito-era uniforms.

Mr. Milosevic choreographed virtually every camera angle of the ceremony, say those who have worked inside Serbian Television and Radio. This is not too difficult since he allows only one cameraman, Miki Cetovic, to film him.

Hatred Disguised

The conflict in the former Yugoslavia is officially over, but the propaganda methods that helped inflame it continue. For 10 years now, state television has fed the Serbs with an undiluted diet of nationalism. It now concentrates on keeping Mr. Milosevic in power through glorifying his Socialist Party. The key techniques are what Dragan Cicic, a Serb journalist who was a Nieman Fellow at Harvard University this year, calls "primitive simplicity" and "unchecked hatred painted as deep passion for the destiny of Serbia."

Last February it seemed a crack was appearing in the hard facade of destiny when hundreds of thousands of demonstrators filled the streets here to protest against Mr. Milosevic. But that convulsion of public opinion seems long ago, its protagonists now preoccupied with political jockeying.

The state media grinds on, virtually unchallenged. Serbia is portrayed as a prosperous and popular country, not as an economically broken and isolated place ruled by one



Serbian television showed crowds cheering Slobodan Milosevic after Dayton peace accords. Mr. Milosevic at political meeting, right.



of the last authoritarian regimes in Eastern Europe. A round of congratulatory telegrams for Mr. Milosevic are read endlessly by the television anchors. Never mind that they come from the authoritarian rulers of China, Cuba and Nigeria. The man who has led the Serbs to disaster is shown as personifying all that is right about the country's historic place in the world. The war Mr. Milosevic wrought in order to bring about greater Serbia but which in fact ruined Yugoslavia is never mentioned anymore.

After so many years of domination and with no competition, Serbian Television has been outstandingly successful in its mission to create a pliant population. "People here still don't believe that Dubrovnik was shelled," said Veran Matic, the founder of B-92, the only independent radio network in Serbia. The Yugoslav army attacked the Croatian port town in 1991. "Belgrade TV showed Dubrovnik with columns of smoke and then said that it was caused by the local people burning tires," he said.

The pattern of thinking that Serbian TV has molded goes like this, Mr. Matic said: Serbia is the center of the earth; everything

that the Western media says is a lie, and any involvement by Western politicians is designed to destroy it. The West, also known here as the "creator of the so-called new world order," is blamed for all the harm brought upon the old Yugoslavia.

Even so, when important American officials visit Belgrade, they are always depicted as paying homage to Mr. Milosevic, a reliable formula that makes top Washington officials think twice about meeting with him but rarely stops them. The visit of Richard C. Holbrooke to Belgrade this weekend, designed by Washington to win some compliance from Mr. Milosevic on the peace agreement, was shown on television here as a meeting between two important men.

Some of the more extraordinary recent visuals on Serbian television have been attempts at showing economic success amid economic ruin. A furniture factory was filmed with a few workers stuffing cushions. Socialist Party officials were shown visiting a farm with unusually high yields of grain; they made the coming harvest seem big enough to feed the country.

Yet unemployment is about 40 percent in

Serbia, and those with jobs in state industries have not been paid in months. It is hard to fathom how viewers can believe such scenes of optimism night after night.

"Ninety percent of the people accepted the jingoism of the war," said Slobodan Stupar, an editor who worked for the state television. "They have been defeated politically and militarily. And people know it. But they don't want to admit it because they believe the defeat was all the work of the international community, which supported the Slovenians, the Croats and the Muslims."

Last-Minute Tinkering

Making state television so consistent takes meticulous planning. Most mornings, Dragoljub Milanovic, the director of Belgrade TV, who is in the hierarchy of the Socialist Party, telephones Mr. Milosevic to discuss the 7:30 P.M. news program, say those who have worked at the station. After the subjects are decided on, a small group of editors assigns them to teams of reporters. All editing must be completed 45 minutes before air time so that Mr. Milanovic can review the

reports. The show often starts late because of last-minute tinkering.

Finding reporters and editors is not hard. In 1992, about 1,500 editorial workers were fired from the state-run media and a new bunch hired. While their salaries are not grand, many are enticed by generous housing allowances. Most are also ideologically in tune with the Milosevic line. A reporter for state radio recently told an American reporter that he could speak fluent English, but refused to do so on "political grounds."

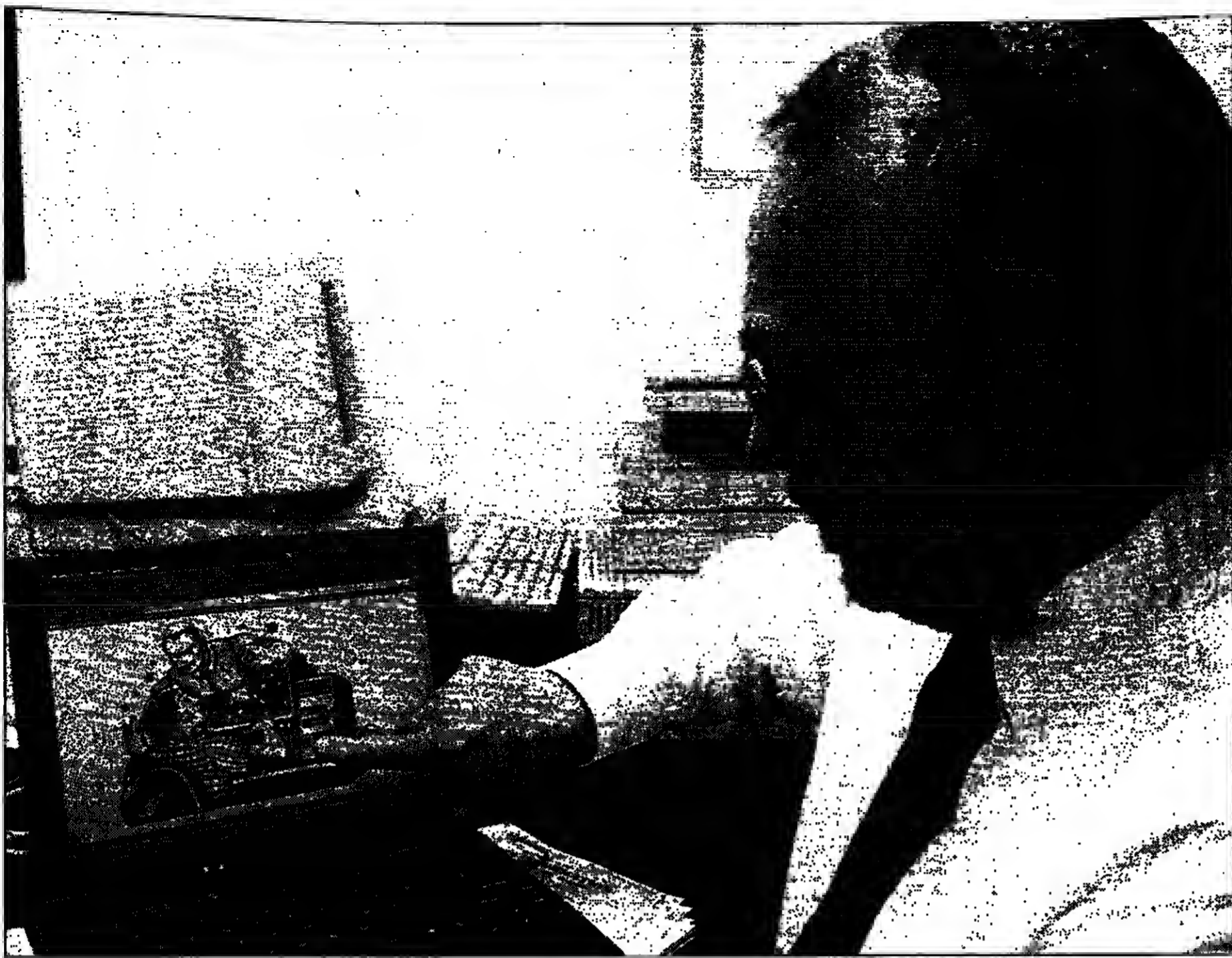
The oppressiveness of state television is compounded by Mr. Milosevic's refusal to allow any alternative. Despite his pledge in the Dayton peace agreement to uphold the right of a free press, he last month shut some of the regional television stations run by opposition parties. The only privately owned television in Belgrade, Kartic TV, was pulled into line after it showed some independence.

Serbia's President is also helped by the lack of energy at Studio B, the city television station in Belgrade. When the opposition politician Zoran Djindjic took over Belgrade City Hall, many hoped that Studio B would be rejuvenated. But the station's camera equipment is so antiquated that it barely functions. Video tapes of Studio B's nightly news are sent by bus to the independent channels in the countryside. "It's like the Middle Ages," said Lila Radonjic, the editor in chief.

Belgrade TV, by contrast, is well funded. A fee for state television is incorporated into the electricity bill of every Serbian household. There is little competition from Western television, which is a staple elsewhere in Eastern Europe. By building such suspicion about the West, Mr. Milosevic has created an atmosphere of xenophobia that has dampened curiosity about the West. There are more satellite dishes in Tirana, Albania's capital, than in Belgrade.

To insure that the propaganda machine will be working smoothly for the elections next month to choose a new Serbian President to fill the post Mr. Milosevic just relinquished, all summer vacations at state television were canceled in mid-July.

"It's like the army on red alert," Mr. Stupar said.



Welcome to Cyberhate: Rabbi Abraham Cooper of the Simon Wiesenthal Center demonstrates an antisemitic site on the Web.

(Brian Henders)

Weaving a web of hatred

At first, the on-line version of the computer game "Wolfenstein" looks like many other action games aimed at young Web-surfers. The goal: get yourself out from behind Nazi lines. The switch comes, however, in your first confrontation with guards. Look a little closer and you notice they have *peyot*. Shoot them down and you might lock them up in one of several "Jew Pens" you pass.

Welcome to Cyberhate. This corrupted version of the original Wolfenstein was eventually removed from the Net, but according to Rabbi Abraham Cooper, associate dean of the Simon Wiesenthal Center, which has taken the lead in fighting such sites, antisemites, skinheads, and some alternative music bands are weaving their own web of on-line hatred, posing a serious challenge to Jewish and other groups fighting such phenomena.

The game also features items of particular interest to hate-group members, such as a target featuring the picture of "Traitor Elisse Hatigan," a woman who recently left one such movement in Canada. "This game is particularly insidious," says Cooper, who demonstrated some of the sites for the Knesset subcommittee on antisemitism and xenophobia, at the initiative of MKs Tzvi Weinberg and Avner Shalek.

But the hate sites on the Web are hardly limited to child's play. A click on Whitepower.com's site links you to the Racial Holy War Kitchen where, according to that Web page, "you will find instructions, ingredients and even diagrams on how to make all sorts of bombs, explosives, and weapons, all made from easily obtainable materials." A disclaimer, found often in such sites, as on pornographic Web pages, states that "This is of course for educational purposes and not intended to be used for any 'revolutionary' or 'vigilante' actions."

One antisemitic site includes a disclaimer stating that "Regardless of how it is perceived, the intent of this project is not to defame the Jewish people but to urge Gentile cancellation of Jewish activism in pursuit of an American agenda."

The Micetrap Holy War Table of Contents, also available by a link, lists chemicals needed for making bombs and where to get them. An exact recipe for making the double pipe bomb that exploded at the Atlanta Olympics can be found on such a page, Cooper explains.

"These sites on the Web are basically free-floating ads," says Cooper. "That's one of the reasons why in the last six months, the phenomenon has almost doubled. For anyone who is concerned about monitoring antisemitism or promoting tolerance, the Internet is a tremendous challenge."

WHO'S BEHIND the sites?

Holocaust deniers, neo-Nazi skinheads and other hate-mongers are turning the Internet into a breeding ground of racism and antisemitism, Aryeh Dean Cohen reports

Anyone from veteran antisemites and Holocaust deniers like Toronto's Ernst Zundel - who's

More material can be downloaded in 20 minutes than hate-mongers like Gary Lauck dumped into Germany in 20 years.

set to offer his revisionist video documentary shot at Auschwitz over the Net - to Ahmed Rahmi, who once read *Mein Kampf* over Swedish public radio until he was stopped. Now Rahmi spews his bigotry via the Net, specifically on a site called Radio Islam which, among other offerings, makes available a download of the *Protocols of the Elders of Zion* in several different languages.

Other sites take a more subtle approach. Resistance Records won't be found, as Cooper explains, "listed under 'Nazi' or 'neo-Nazi.' You'll find it listed under 'alternative music,' weaved right into the kind of stuff that teenagers love to listen to."

Resistance Records is run by 26-year-old Canadian George Burdi, whose knack for what sells has allowed him to vend 50,000 albums via the site. "It's all racist, all the time," quips Cooper, explaining how the site allows youngsters to download clips from antisemitic and hate rock groups like the UK's Screwdriver. Albums obtained from Resistance Records were found among the possessions of a white soldier who killed a black couple outside a Fort Bragg base in November 1995, Cooper says.

The development of the technology also means that distribution of hate material is no longer limited to a few hundred poorly illustrated newspapers. With speedy modems, more material can be downloaded in 20 minutes than hate-mongers like Gary Lauck dumped into Germany in 20 years, says Cooper. Graphics programs also help the hate-mongers. "Now there is software that allows you to make your stuff look as pretty and,

more importantly, as serious as anyone else's. The Flat Earth Society can look better than Carl Sagan," he says.

Don Black's Stormfront.com is a case in point. Black took over the Ku Klux Klan after David Duke entered politics. His site features a fluttering American flag and skinhead-style combat boots. It has allowed Black to go "from an overt, open racist in Louisiana to being a kind of cheerleader for the online stuff," says Cooper. Links take surfers from South African hate groups to a site featuring the work of William Pierce, whose racist oovel inspired Oklahoma City bomber Timothy McVeigh.

Virulently antisemitic humor is also available on the Web, particularly at the Jewish Joke Center, one of the links provided by Whitepower.com. The site features caricatures of Jews that would rival those in *Der Stürmer*. A series of jokes includes ones like "What do Jews and apples have in common? They both look

good hanging from a tree." Many hate groups exploit US laws protecting freedom of speech

A click on Whitepower.com's site links you to the racial Holy War Kitchen where you will find instructions on how to make bombs.

to disseminate hate material on the Web to their home countries. Cooper says current efforts are focusing on convincing Web service providers to set their own

standards and reject approaches by hate groups to run their material. He argues that the Web is similar to a form of broadcasting or publishing, where standards are set for what is acceptable. "If it smells and sounds like broadcasting, there are more about broadcasting. If it's like publishing, there are rules about publishing," he says.

The Wiesenthal Center is currently making a massive effort to monitor the sites. Its own page, at www.wiesenthal.com, allows youngsters to get in touch with Tom Leyde, a former neo-Nazi who walked into the center's office one morning and turned over invaluable information about the workings of such groups. He is now a regular target on hate-group Web sites.

"The question has always been is it going to be technology serving man, or man serving technology?" says Cooper of the challenge ahead. "This is the most powerful tool ever available, and what we're trying to do - especially in the States - is to get people who are deeply involved and enamored with promoting the technology to take a step back and say, 'Fine, it's great technology; technology is neutral.' Don't throw away a society's mores and say everything's free speech. Even the most liberal interpretation of free speech has never allowed this stuff to go unchallenged."



Home Front
A womb of one's own
By Allison Kaplan Sommer

Don't get me wrong. I'm thrilled that the first surrogate mother in Israel's history is currently pregnant with twins. It's wonderful that she is doing this on behalf of a long-suffering woman who has endured eight miscarriages.

Although the practice of surrogacy can be a bit awkward and tricky, I'm all for it, particularly in a country where domestic adoption is close to impossible, and trekking around the world in search of a foreign baby to adopt runs into the tens of thousands of dollars. And even when a foreign adoption goes smoothly, the problems don't stop there. The issue of converting the children to Judaism

day I can only keep down crackers and lemonade and walk around with an annoying blend of hunger and nausea. Fifty shekels for every sleepless night due to being utterly unable to find a comfortable sleeping position and constant trips to the bathroom. Twenty-five shekels for every unpleasant remark heard in early pregnancy when people don't know I am pregnant and remark how tired I look and haven't I put on some weight? Seventy-five shekels for every friend and relative alienated during hormonal mood swings. A thousand shekels for each summer month in which late pregnancy takes place.

We're talking about a process that transforms your entire being, mind, body and soul

has become a complicated issue, a political hot potato, and a source of headache for many families.

So I truly believe that the advantages of surrogacy outweigh the difficulties. It's just that personally, I don't think I could ever be a surrogate mother. It sounds like a fair enough deal on the surface. You receive sufficient money to cover your basic expenses for nine months, complete medical care, and adequate compensation for doing your "job" of carrying the fetus to term: the renting out of your womb.

The problem is, that those of us who have been there and done that know that we're not talking about renting out a womb, we're talking about a process that transforms your entire being, mind, body and soul. It's not a normal job - it's utterly unpredictable. Sometimes being pregnant feels as natural as breathing, and sometimes it feels as if lifting cement blocks would be easier. So to even consider being a surrogate mother, I'd have to work out a very tough system of commissions and bonuses that would be added to my base salary.

As I see it, compensation should reflect the precise amount of discomfort involved. Here is a sample price list of tariffs for the pregnancy period that I would propose:

A hundred shekels for every trip to the bathroom due to morning sickness. An additional NIS 50 for every

Labor should have a price structure all its own. I'm picturing a large per-hour charge for all of active labor. However, a significant discount will be considered for each hour during which pain-killing drugs are administered. As for pushing the baby out, more money will have to be paid if the baby's head is above-average size. Otherwise, he's staying in there. And, of course, if I was carrying twins, a surcharge would have to be calculated to push the second one out. If, heaven forbid, there were more multiples, the fee would continue to increase.

And finally, there's the aftermath of pregnancy. I'd naturally charge a premium for every stretch mark I'm stuck with afterwards and every additional pound above my pre-pregnancy weight that bung on after delivery. After all, a waistline is a terrible thing to lose.

If my math is correct, under this system all the accumulated bonus shekels would likely add up to a handsome sum. So I ask myself one more time, would I go through the travails of pregnancy and childbirth for money if we were talking *lots* of money? To be honest, the answer is probably not.

In my book, there's only one reward that makes all the backaches, nausea, exhaustion, pain and discomfort of pregnancy worth it. That reward is cute, tiny, warm, huggable, and it is exactly what the surrogate mother is required to give up.

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Freelance writing can be creative, fulfilling and a lot of fun, with excellent money to be made as well. What's more, anyone can become a writer. No special qualifications or experience are required.

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Saturday, 16.8.97 - Milka Karni	Thursday, 21.8.97 - Ehud Banai
Sunday, 17.8.97 - Avtipus	Saturday, 23.8.97 - Assaf Bandursky
Monday, 18.8.97 - Arcadi Duchin & the "Lemons"	Sunday, 24.8.97 - Ariel Zilber

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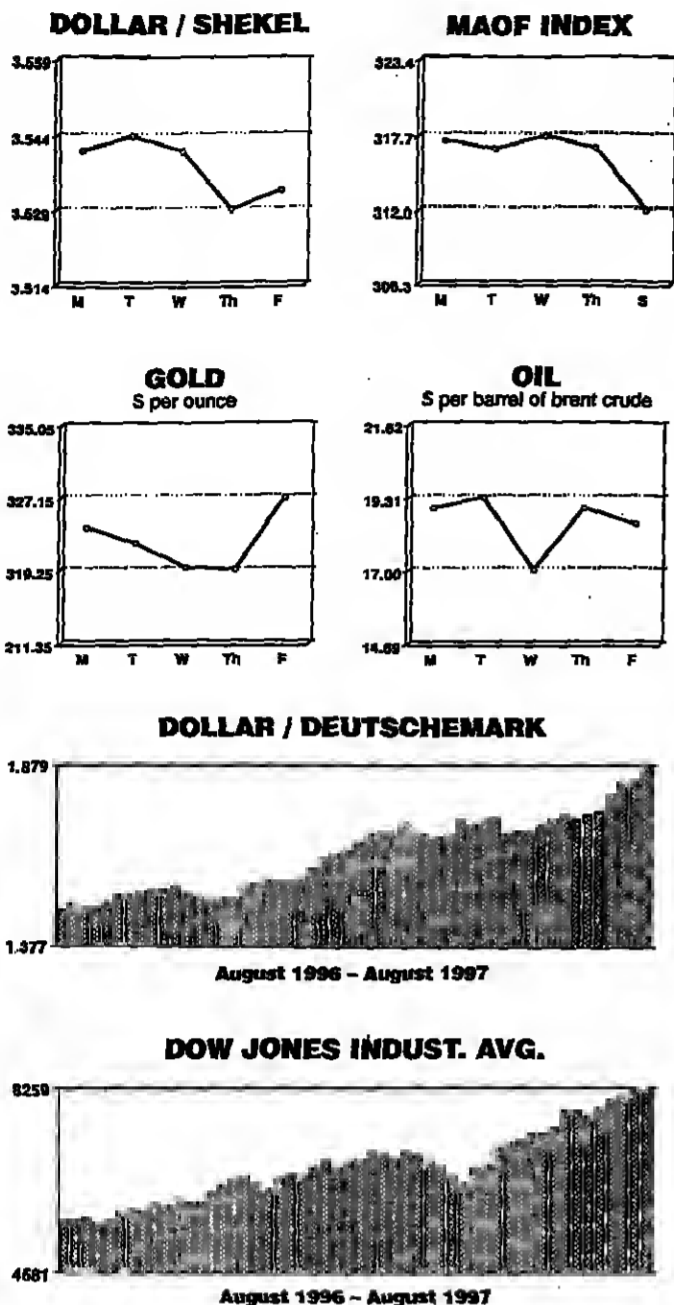
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Earthy Concerns will return next week.

MARKETS

in brief



Neeman threatens to quit if budget cut not endorsed

Treasury: 1997 inflation target will not be met

By DAVID HARRIS
Finance Minister Yaakov Neeman threatened yesterday to resign if coalition MKs fail to agree to the additional 1997 budget cut of NIS 800 million...

Neeman also admitted to the cabinet that the 1997 inflation target will not be met. Having told ministers the 1998 inflation target will be set at 7 percent to 10 percent...

Neeman also admitted to the cabinet that the 1997 inflation target will not be met. Having told ministers the 1998 inflation target will be set at 7 percent to 10 percent...

During the cabinet debate, the Treasury presented a 1998 to 2000 macroeconomic forecast and its plans for some 100 structural reforms in the economy...

Following a row with Agriculture Minister Rafael Eitan last week, Treasury officials agreed to only lift restrictions on the import of hard cheeses and will, at a later date, discuss tariffs on unseasonal fruits and vegetables...

'97 investment aid down 15%

By JENNIFER FRIEDLIN
In the first seven months of the year, the Industry and Trade Ministry distributed \$880 million to investment aid to the industrial and tourism sectors, a 15% drop compared to the same period in 1996...

The Investment Center is receiving a growing number of requests by electronics, electricity, chemicals and mineral concerns, while the food, clothing, textile and other light industry companies are submitting fewer applications for aid...

Baruch attributed the recent increase in the number of companies utilizing investment grants to industrialists' greater certainty of trends in the economy. "In January and February the economy looked really bad and companies didn't want to take the grants because they didn't want to make investments," Baruch said...

Gov't mulls charging cars to enter cities

By DAVID HARRIS
The government is considering charging a toll on all private vehicles entering the three major cities, based on a report presented to the cabinet yesterday by Treasury officials...

In Tel Aviv the project will be coordinated with the anticipated routes of the metropolitan light railway. A similar constraint applies to the preparation of the routes in Jerusalem and Haifa...

Nesher starts work on \$180m. plant
Nesher Israel Cement Enterprises last night celebrated the groundbreaking of its new \$180m. cement production facility in Ramle...

Elron profits up sharply
Elron Electronic Industries Ltd.'s second quarter net income soared to \$6.5 million, compared to \$2.6m. in the quarter the previous year...

Tadiran net down 56%
Tadiran Telecommunications Ltd. reported a 56% drop in second quarter net income to \$12.5m., compared to \$28.6m. in the same period last year...

Croatia seeking Israeli defense, energy deals

By STEVE RODAN
Croatia is interested in cooperating in the production and sales of defense products, as well as in upgrading its energy industry...

The two countries are quietly exploring a wide range of defense projects, including joint production and military sales, officials and diplomatic sources said...

Croatian defense officials visited and met with some of their Israeli counterparts and defense industry executives. The delegation was headed by Gen. Vladimir Zagorec...

Israeli officials said the Croatians were told that there could be no defense contracts without the establishment of formal diplomatic relations...

Israel and Croatia have several areas of potential cooperation, Stem said. One of them is agriculture, in which Israel could help Croatia improve crop yield...

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Copper declines in dull trading

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Psychologists demonstrate outside the Prime Minister's Office yesterday before their strike was settled. (Brian Hendler)

Psychologists going back to work today

By JUDY SIEGEL
The strike by over 700 public-sector psychologists ends this morning, after 82 days of dispute with the Treasury over bonuses, wages, and benefits. The dispute now goes to the Arbitration Board, after the employers agreed to include all subjects in the discussions.

"We could have gone back to work a week ago, but the Treasury backtracked on its promises," union chief Reuven Goldberg said.

Only the psychologists who took part in the strike will get a bonus of five weeks' pay; the other 250 or so who did not strike will, however, receive any higher wages and benefits to be granted by the Arbitration Board.

It was the first-ever strike by public-sector psychologists, all of whom have advanced degrees and

earn some of the smallest paychecks in government, Kupat Holim Clalit, Youth Aliya, the Employment Service, and other public institutions.

Goldberg said it would take some time to catch up with all the patients who had been under treatment.

Capital trying to prevent more cancellations

By JUDY SIEGEL

The Jerusalem Municipality said yesterday that it is making every effort to prevent the cancellation of large conferences scheduled for the capital during the next few years, following the decision by the prestigious International Federation of Gynecology and Obstetrics (FIGO) to hold its 2000 congress in Washington, DC instead of Jerusalem.

The medical conference was to be the largest ever held in the capital, with some 15,000 physicians coming from around the world, and to bring some \$40 million into the city.

The gathering is to present the latest advances in obstetrics and gynecology and draw thousands of businessmen representing companies participating in a large professional exhibition. A large multipurpose arena being planned for the western entrance to Jerusalem was to be the venue.

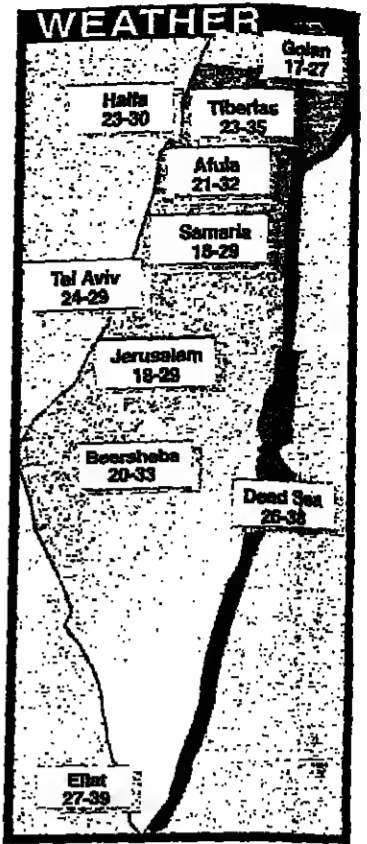
Nearly three years ago, Mayor Ehud Olmert, local organizer Gideon Rivlin and Prof. Joseph Schenkar, head of gynecology/obstetrics at Hadassah-University Hospital, announced that at a FIGO gathering in Montreal, Jerusalem had been selected as the site for the triennial FIGO congress in the year 2000.

But soon after the announcement was made, pressures began to mount to prevent it from convening in Israel, said municipal spokesman

Hagai Elias. Late last month, in Copenhagen, only hours after the Mahaneh Yehuda suicide bombing, a FIGO conference decided to move the gathering. Despite intensive efforts by the Foreign Ministry and the municipality, 56 national gynecology associations voted for Washington, and 42 for Jerusalem.

FIGO officials worried that because of Israel's unstable political situation and the threat of terror in Jerusalem, many scheduled participants would drop out, causing a loss in income, and that getting insurance to cover the event would be overly expensive. However, Schenkar was able to arrange insurance through a British company.

"When the delegates in Copenhagen watched TV and saw the destruction and death in Mahaneh Yehuda, they got cold feet," said Schenkar, sadly. "I pleaded with them, noting that Jerusalem was safer than Washington and many other cities, and that by voting against us, they were giving in to terror. But it did no good."



Forecast: Partly cloudy to clear. Drop in temperatures.

AROUND THE WORLD

City	Low	High	Forecast		
Amsterdam	14	57	36	clear	
Berlin	16	61	36	partly cloudy	
Buenos Aires	18	65	39	64	clear
Cairo	21	70	33	91	clear
Chicago	20	68	36	88	cloudy
Copenhagen	16	61	29	77	clear
Frankfurt	18	65	30	86	clear
Geneva	18	65	30	86	clear
Helsinki	15	59	27	81	cloudy
Hong Kong	27	81	88	84	rain
Jakarta	25	77	21	70	clear
London	16	59	30	77	partly cloudy
Los Angeles	21	70	29	79	clear
Madrid	18	65	30	86	clear
Manila	25	77	21	70	clear
Moscow	20	68	36	88	rain
New York	11	52	24	73	clear
Paris	17	63	31	81	clear
Rome	18	65	30	86	clear
Stockholm	18	65	28	82	clear
Sydney	20	68	36	88	clear
Taipei	17	63	31	81	rain
Toronto	17	63	31	81	partly cloudy
Vienna	17	63	31	81	clear
Zurich	16	61	27	81	clear

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Winning cards

In yesterday's first daily Chance draw, the winning cards were the queen of spades, queen of hearts, ace of diamonds and 10 of clubs. In the second Chance draw, the winning cards were the ace of spades, queen of hearts, queen of diamonds and queen of clubs.

JOHNS HOPKINS MEDICAL INSTITUTIONS

Help scientists find the causes of schizophrenia!

The Johns Hopkins University School of Medicine in the U.S., together with leading Israeli hospitals, will be conducting a study to identify the biological causes of schizophrenia in Ashkenazim. Both environmental and genetic factors are believed to play a role in determining who is susceptible to the disease.

Although Ashkenazim do not have a higher rate of these disorders, the fact that the community has evolved from a limited number of ancestors and that Ashkenazim often marry from the same ethnic background, provides unique opportunities for genetic analysis.

For more information, please leave a message 24 hours a day (excluding Shabbat) for our Israeli research coordinator (Hebrew or English) at 02-648-0253, or contact Dr. Ann E. Pulver (English speakers only) in the United States BY CALLING COLLECT via an operator to 410-955-0455. Mon. - Fri. between 8:30 a.m. - 4:30 p.m. Eastern Standard Time. E-mail: sepulver@welchlink.welch.jhu.edu; Fax: 410-955-0644. All participant expenses paid. Confidentiality Assured!

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